

APPLICATION FOR PERMIT
TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office..... JUN 1 1988
Returned to applicant for correction..... JUN 28 1988
Corrected application filed..... JUL 11 1988
Map filed..... JUL 11 1988

The applicant..... Coral Resources, Inc.
P.O. Box 8....., of..... Crescent Valley.....
Street and No. or P.O. Box No. City or Town
Nevada 89821....., hereby make application for permission to appropriate the public
State and Zip Code No.
waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a
copartnership or association, give names of members.)..... Incorporated in Nevada July 11, 1986.

1. The source of the proposed appropriation is..... underground
Name of stream, lake, spring, underground or other source
2. The amount of water applied for is..... one..... second-feet
One second-foot equals 448.83 gals. per min.
(a) If stored in reservoir give number of acre-feet.....
3. The water to be used for..... Mining
Irrigation, power, mining, manufacturing, domestic, or other use. Must limit to one use.
4. If use is for:
 - (a) Irrigation, state number of acres to be irrigated.....
 - (b) Stockwater, state number and kinds of animals to be watered.....
 - (c) Other use (describe fully under "No. 12. Remarks")..... Mining milling
 - (d) Power:
 - (1) Horsepower developed.....
 - (2) Point of return of water to stream.....
5. The water is to be diverted from its source at the following point..... SE¼ SE¼ Section 16, T28N - R 47E
Describe as being within a 40-acre subdivision of public
MDB & M Lander County Nevada, at a point from which the NE corner of Section 9,
survey, and by course and distance to a section corner. If on unsurveyed land, it should be so stated.
T28N - R47E, bears N08° 49' 11" E a distance of 10.061.53 feet.
6. Place of use..... SW¼ Section 16, T28N - R47E, Lander County, Nevada
Describe by legal subdivision. If on unsurveyed land, it should be so stated.
7. Use will begin about..... January 1st..... and end about..... December 31st....., of each year.
Month and Day Month and Day
8. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.)..... Drilled well with pump and motor
State manner in which water is to be diverted, i.e. diversion structure, ditches and
flumes, drilled well with pump and motor, etc.
9. Estimated cost of works..... \$25,000.

10. Estimated time required to construct works..... 60 days after permit approval
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use 90 days after permit approval.

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

Water to be used for processing gold ore using heap leach methods. Annual
consumptive use is estimated at 50,000,000 gallons

Compared..... jjk/jm pm/se
 By s/David C. Arnold agent
P.O. Box 8
Crescent Valley, Nevada 89821

Protested.....

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water place to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This Permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The total combined duty of water under Permits 52174 and 52175 shall not exceed 97.46 million gallons annually.

(CONTINUED ON PAGE 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed..... 1.0cubic feet per second, but not to exceed 97.46

million gallons annually.

Work must be prosecuted with reasonable diligence and be completed on or before..... October 28, 1989

Proof of completion of work shall be filed on or before..... November 28, 1989

Application of water to beneficial use shall be made on or before..... October 28, 1991

Proof of the application of water to beneficial use shall be filed on or before..... November 28, 1991

Map in support of proof of beneficial use shall be filed on or before..... N/A

Completion of work filed..... IN TESTIMONY WHEREOF, I PETER G. MORROS

Proof of beneficial use filed..... State Engineer of Nevada, have hereunto set my hand and the seal of my

Cultural map filed..... office, this..... 28th day of October

Certificate No. Issued..... A.D. 19 88

State Engineer

WITHDRAWN BY APPLICANT (U)-5314 (Rev.)

DEC 8 1989

STATE ENGINEER

(PERMIT TERMS CONTINUED)

This permit is issued under the preferred use provisions of NRS Chapter 534. The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the ground water basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

